To: Potential Offerors under Subject Solicitation/January 18, 2005

From: ATTN: Natural Gas Division, DESC-AER

Defense Energy Support Center

8725 John J. Kingman Road, Suite 4950

Ft. Belvoir, VA 22060-6222

Subject: Request for Proposal to (RFP) SP0600-02-R-0085-0129

- Subject RFP is hereby issued to solicit requirements in accordance with the provisions of the Basic Ordering
 Agreements issued under SP0600-02-R-0085. The **delivery period** is February 1, 2005 through February 28, 2005.
 These line items are unrestricted. Request that offerors submit their offered prices on the attached pricing sheet
 (Attachment 1).
- 2. The closing date set for receipt of offers is January 24, 2005, 11:00 a.m. local time, Fort Belvoir, VA. Contract will be awarded no later than Monday, January 24, 2005, 1:00 p.m. local time, Fort Belvoir, VA, to the responsible/responsive offeror whose offer represents the best value to the Government.
- 3. **Facsimile offers** will be accepted in response to this solicitation. The offeror may send its facsimile offer to the attention of **Robin Mathews at (703) 767-8573.** Offer submissions may also be sent to the following address:

Attn: DESC-AEP, Room 3830 Defense Energy Supply Center 8725 John J Kingman Rd, Suite 4950 Fort Belvoir, VA 22060-6222

- 4. In accordance with FAR 15.306, the Government intends to evaluate proposals and award a contract without discussions with offerors. Therefore, each initial offer should contain the offeror's best terms from a price and technical standpoint. The Government reserves the right to conduct discussions if determined necessary by the Contracting Officer. The Government reserves the right to award any combination of line items and/or subline items identified in this solicitation. Additionally, the Government reserves the right to make no awards under this solicitation. Award will be made to the offeror representing the best overall value to the Government for the line items and/or subline items under consideration.
- 5. Pricing Strategy.

Please note that the format for offering prices under Line Items 1002A, 1002B, and 1002C (Attachment 1) will remain unchanged whereby offerors are requested to submit an all inclusive unit price.

Also be advised that the 10% price evaluation preference for HUBZone Small Business concerns may be applied in accordance with DESC Contract Clause I238.02, NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS (JAN 1999) and small businesses must comply to terms defined in Clause I174.03, SUPPLY COMMITMENTS FOR SMALL BUSINESS CONCERNS (NATURAL GAS)(DESC AUG 2001) both clauses can be found in their entirety in Solicitation SP0600-02-R-0085. Should the Government receive a price proposal from such a small business concern, the price evaluation preference will be applied accordingly.

- 6. Any questions regarding this solicitation may be addressed to Robin Mathews at (703) 767-8538.
- 7. In accordance with Clause B1.06, supplies to be furnished are as follows:

APPLICABLE NOTES:

- **Note 1.** As used throughout this solicitation, **Dth** means dekatherm; **USD** means U.S. Dollars; **LI** means Limited Interruptible delivery; **IT** means Interruptible; **F** means Firm delivery; **MDQ** means Maximum Daily Quantity.
- Note 2. The offered firm fixed price must include all supply and transportation costs for delivery to the citygate.
- Note 3. Offerors are required to hold their prices until 12:00 pm, (local time, Fort Belvoir, VA) on closing day.
- Note 4 Offerors are encouraged to review the Offeror Pricing Sheet, Attachment 1, and provide a pricing strategy for <u>ALL</u> line items and/or Sub-line items, where applicable.

SUPPLIES TO BE FURNISHED

The following Direct Supply Natural Gas Supplies are to be delivered to Citygate Virginia Natural Gas during the period February 1, 2005 – February 28, 2005. All items behind Citygate Virginia Natural Gas will be tied together for purposes of evaluation. After receipt and evaluation of offers, the lowest responsible offer price will be compared to the cost of fuel oil; the VNG Schedule 9 Tariff Rate; and the VNG Term Gas rate, if applicable. The Government reserves the right to make an award for a quantity less than the quantity offered, at the unit prices offered, unless the offeror specifies otherwise in the proposal.

Item #	Delivery to:	Est Qty (Dth)	LI or F	Supply Mgmt (Y or N?)
1002A	Citygate Virginia Natural Gas	269,500	LI	Y
1002B	Citygate Virginia Natural Gas	27,600	LI	N
1002C	Citygate Virginia Natural Gas	6,500	LI	Y
	CitygateTotals:	303,600		

Line Item 1002A

Sub-line Number	Delivery to:	Est Qty (Dth)	No. Curtailment days
10020101	Bldg. P-1	210,000	7
10020102	Bldg Z-312	0	7
10020104	NAS Oceana	43,000	7
10020105	DamNeck	16,500	7
	1002A GRAND TOTAL	269,500	

Line Item 1002B:

Sub-line Number	Delivery to:	Est Qty (Dth)	No. Curtailment days
100202	Fort Eustis, VA	27,600	14
	1002B Totals	27,600	

Line Item 1002C:

Sub-line Number	Delivery to:	Est Qty (Dth)	No. Curtailment days	
100203	Camp Peary, VA	6,500	14	
	1002C Totals	6,500		

PRICING SHEET	
SP0600-02-R-0085-0129)

	31 0000-02-10-0003-012
Offeror Name:	
Address:	

Facsimile offers will be accepted for Line Items 1002A, 1002B, and 1002C listed below in response to this solicitation. The offeror may send its facsimile offer to the attention of Robin Mathews at (703) 767-8573.

The closing date set for receipt of offers is as noted on page 1 of this solicitation, unless otherwise amended.

Item #	Delivery to:	Supply Mgmt (Y or N?)	LI or F	Est February 05 Qty (Dth)	Total Unit Price Per Dth	Estimated Total Amount
1002A	Citygate Virginia Natural Gas	Y	LI	269,500	Offer must be submitted for each sub-line item or group of sub-line items below	
	10020101- Bldg P-1	Y	LI	210,000	\$	\$
	10020102 – USN Bldg Z-312, VA	Υ	LI	0	\$	\$
	10020104 - USN NAS Oceana VA	Υ	LI	43,000	\$	\$
	10020105 - Dam Neck	Υ	LI	16,500	\$	\$
1002B	Citygate Virginia Natural Gas	N	LI	27,600	\$	\$
1002C	Citygate Virginia Natural Gas	Y	LI	6,500	\$	\$

Offeror Signature:	 Date:	(Attachment 1)